

Martin Feldstein, a prominent economist who sits on the President's Economic Recovery Advisory Board [penned the following op-ed](#) in today's *Wall Street Journal* which makes the point that:

The barrage of tax increases proposed in President Barack Obama's budget could, if enacted by Congress, kill any chance of an early and sustained recovery.

Feldstein also takes note of the proposed "cap-and-trade" system which [Congressman Pence opposes](#).

Mr. Obama's biggest proposed tax increase is the cap-and-trade system of requiring businesses to buy carbon dioxide emission permits. The nonpartisan Congressional Budget Office (CBO) estimates that the proposed permit auctions would raise about \$80 billion a year and that these extra taxes would be passed along in higher prices to consumers. Anyone who drives a car, uses public transportation, consumes electricity or buys any product that involves creating CO₂ in its production would face higher prices...

But while the cap-and-trade tax rises with income, the relative burden is greatest for low-income households. According to the CBO, households in the lowest-income quintile spend more than 20% of their income on energy intensive items (primarily fuels and electricity), while those in the highest-income quintile spend less than 5% on those products.